

SUMMARY OF 2019
ICC RAILROAD SUPPLIER DIVERSITY REPORTS

Union Pacific Rail

SUPPLIERS

YEAR	\$ TOTAL DIVERSE SPEND and (+/-) % CHANGE FROM PREVIOUS YEAR	MBE	WBE	VBE	Small Business*
2019	\$274,934,468.31	\$82,951,134.38	\$155,409,176.33	\$36,361,733.91	
2018	\$ 271,394,967.99	\$83,473,672.83	\$136,337,067.11	\$51,354,360.90	

	HUBZone	SDB/8A	
2019		\$199,265.39	
2018		\$227,673.33	

- * How many of the small businesses are certified? This is done based on the honor system. UP allows for suppliers to self-certify.

YEAR	# OF DIVERSE SUPPLIERS	MBE	WBE	VBE	Small Business*
2019	402	174	175	50	
2018	502	222	224	53	

	HUBZone	SDB/8A	
2019		2	
2018		2	

- * How many of the small businesses are certified?
- * How many, out of all diverse suppliers, are headquartered in Illinois? 41 assuming any supplier with an IL address is headquartered there.

YEAR	# of NEWLY CONTRACTED DIVERSE SUPPLIERS	% CHANGE OVER PRIOR YEAR	SPEND	% CHANGE OVER PRIOR YEAR	# HEADQUARTERED Outside of ILLINOIS	# HEADQUARTERED IN ILLINOIS
2019						
2018						

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PROFESSIONAL SERVICES

YEAR	\$ TOTAL DIVERSE SPEND and (+/-) % CHANGE FROM PREVIOUS YEAR	MBE	WBE	VBE	Small Business*
2019	\$222,263,260.30	\$64,594,618.75	\$128,172,585.87	\$32,283,681.95	
2018	\$205,150,505.74	\$53,579,368.25	\$107,692,620.13	\$43,650,844.03	

	HUBZone	SDB/8A	
2019		\$199,265.39	
2018		\$227,673.33	

- * How many of the small businesses are certified? None. UP allows for suppliers to self-certify.
- * How many, out of all diverse vendors/companies, are headquartered in Illinois? 41 assuming any supplier with an Illinois address is headquartered there.
- * **NOTE:** Per clarification from Jeanine Robinson on 02/20/2020, all UP suppliers are considered professional services suppliers.

Spend Areas (Industry):

Calibration/Inspection/Testing	Locomotive
Consulting & Staffing/Training	MRO
Engineering	Railcar
Design/Const/Maint	Railroad Infrastructure
Equipment	Real Estate/Govt Pmts/Other
Fuel/Lubricants/Fuel Svcs	Transportation/Vehicle Fleet
Health/Environmental/Safety	Travel/Lodging
Intermodal/Auto Ramps	Vegetation Mgmt
IT/Telecom	

SUPPLIERS & PROFESSIONAL SERVICES

2019 Highlights	<ul style="list-style-type: none"> • Automotive Rentals, Inc. (ARI) became a diverse supplier in November of 2019. <ul style="list-style-type: none"> ○ ~ \$36M additional spend in 2019 • Allen's Engineering (large diverse construction company) filed for bankruptcy <ul style="list-style-type: none"> ○ ~\$12M loss spend in 2019
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Large Capital Projects (Greater than \$5M)	<ul style="list-style-type: none"> 4 diverse suppliers participated in projects exceeding \$5M across the UP network 	
Supplier Diversity Goals	<ul style="list-style-type: none"> Total diverse spend goal of 5.5% Increase Tier II spend Award & Inclusion KPI for buyers for 2020 	
Professional Services Goals	<ul style="list-style-type: none"> UP does not establish professional services goals. Diverse supplier spend goal is 5.5% 	
Unique Initiatives – 2019 & 2020	<ul style="list-style-type: none"> Supplier Diversity Champion – internal contest for all supply chain department employees. Strategic Supplier Reviews – we review diverse spend with our large strategic suppliers 	
2020: Areas of Procurement Plans	<ul style="list-style-type: none"> Bridge Design MOW equipment Travel/Lodging Railcar Services Wheelsets & Railcar parts 	<ul style="list-style-type: none"> MRO Services/ Material Track Components Vehicle Fuel & Mtc. Ballast Fuel Services

Terms & Definitions:

Small Business – an independently owned and operated company that is limited in size and in revenue depending on the industry. Certified via, city, county, state, third party.

Minority Owned Business (MBE) – it is at least 51% owned by such individuals or, in the case of a publicly-owned business, at least 51% of the stock is owned by one or more such individuals i.e. the management and daily operations are controlled by those minority group members.

Women Owned Business (WBE) - is at least 51% owned, operated and controlled on a daily basis, and long-term decisions are made by one or more female American citizens. WBEs are typically certified by a third-party, city, state or federal agency.

Veteran Owned Business (VBE) – generally non-industry specific, but requires that the company is at least 51% owned, operated, and controlled by a veteran.

SBD/8A – Small Disadvantaged Business (SDB) that is at least 51% owned by one or more individuals who are socially and economically disadvantaged individuals who are U.S. citizens.

HUBZone – Small Business Administration (SBA) program for small companies that operate and employ people in Historically Under-utilized Business Zones; at least 51% controlled by U.S. citizens